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Personnel matters

Personnel matters

Report by the Director General

In line with staff regulations 13.3 and 13.4, the present document provides information on personnel-related matters in the Secretariat, common system developments and amendments made to the staff rules and regulations. The report complements the information provided in the *Annual Report of UNIDO 2017* (IDB.45/2, chapter x and appendices (i) and (j)). For cost saving purposes, annexes to the present report are included in a conference room paper (IDB.46/CRP.6), which is issued at the same time as the present document.

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I. Developments on personnel-related matters

Recruitment

1. In line with the decision taken by the Director General, 44 posts in the Buildings Management Services Division (CMO/OSS/BMS) were approved for external recruitment, to hire staff members under the 100 series. As of September 2018, 20 of these posts have been staffed, with another 7 posts to be finalized by the end of the current year. Another 10 professional positions are under recruitment, 8 of these in the Directorate of Programme Development and Technical Cooperation. Since the beginning of 2018, 49 positions have been advertised, 14 internally and 35 externally.

2. Since 10 May 2017 (IDB.45/17), the Director General approved 23 senior appointments and reassignments. Since the inception of the Partner Expert Programme in January 2017, a total of 12 Partner Experts from 2 countries, 10 from China and two from Turkey, have been working at UNIDO. All of these have been placed in UNIDO Headquarters, none in the field so far.

Development of the UNIDO Gender Parity Action Plan

3. To reach gender parity in staffing, and in line with the United Nations Secretary-General's Gender Parity Strategy 2017 and recommendation 8 of the report of the Joint Inspection Unit (JIU/REP/2017/1) entitled "Review of management and Administration of UNIDO, UNIDO has developed the Gender Parity Action Plan (2018–2023). Details of the action plan are presented in document IDB.46/20.

4. The Action Plan draws on best practices in the United Nations and on consultations with UNIDO management and staff. It outlines two target areas, namely (i) the removal of obstacles to the recruitment, retention, promotion, and mobility of women members of staff; and (ii) the creation of an enabling working environment, including by improving the productivity and well-being of all UNIDO employees by promoting diversity, career development, flexible working arrangements, and family-friendly policies.

II. Common system developments affecting UNIDO staff regulations and rules

Conditions of service applicable to the Professional and higher category

Salary Scale for professional and higher categories (schedule I to the staff regulations)

5. The concept of the base/floor salary scale was introduced by the General Assembly in resolution 44/198 of 21 December 1989, section I.H. The scale is set by reference to the salary scale of the federal civil service of the United States of America in Washington, D.C. Periodic adjustments are made on the basis of a comparison of net base salaries of United Nations officials with the corresponding salaries of their counterparts in the United States federal civil service, excluding any locality pay. The adjustments are implemented by means of the standard method of consolidating post adjustment points into the base/floor salary, that is by increasing base salary while commensurately reducing post adjustment.

6. By its resolution 72/255 of 24 December 2017, the General Assembly approved, with effect from 1 January 2018, the unified salary scale for staff in the Professional and higher categories that reflect a 0.97 per cent increase (Annex I).

7. The revised salary scale was implemented on a "no-loss/no-gain" basis. This means that it was accompanied by a corresponding reduction in the post adjustment multipliers for all duty stations. The cost of implementing the General Assembly's resolution is negligible and is covered in the provisions made for that purpose in the UNIDO Programme and Budgets 2018–2019 (IDB.45/5).

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Evolution of the net remuneration margin

8. Under a standing mandate from the General Assembly, the International Civil Service Commission (ICSC) reviews the relationship between the net remuneration of United Nations officials in the Professional and higher categories in New York and that of the United States federal civil service officials in comparable positions in Washington, D.C. For that purpose, the Commission annually tracks changes occurring in the remuneration levels of both civil services and, when the margin happens to be outside of the established range (113–117), initiates the necessary action to bring it to around the desirable midpoint of 115. The Commission noted that the estimated net remuneration margin for 2017 amounted to 113.7.

Post adjustment matters

9. The General Assembly noted the efforts by the Commission to improve the post adjustment system and requested the Commission to continue its effort to improve this system to minimize any gaps between pay indices and post adjustment indices, and to consider the feasibility of more frequent reviews of post adjustment classifications of duty stations. In addition, the Assembly requested the Commission to review the measure to close the gap in the post adjustment at its next round of cost-of-living surveys.

10. Noting with serious concern that some organizations had decided not to implement the decisions of the Commission regarding the results of the cost-of-living surveys for 2016, the General Assembly also requested the Commission to report no later than at the 74th Session of the Assembly, in the autumn of 2019, on the implementation of the Commission's decisions regarding the result of the cost-of-living surveys for 2016, including any financial implications.

Common System-wide Health Insurance Working Group

11. In its resolution 68/244, the General Assembly requested the Secretary-General to undertake a survey of current health-care plans for active and retired staff within the United Nations system, explore all options to increase efficiency and contain costs. A working group of agencies of the United Nations system was formed and analysed 23 health insurance plans across the system, which cover 401,166 persons, both active and retired staff. The Working Group developed a set of recommendations. The recommendations will be submitted by the Secretary-General to the General Assembly for consideration.

III. Matters related to staff rules

Salary scale for staff in the General Service Category (Appendix A to the staff rules)

12. In accordance with the Flemming principle, General Service (GS) staff shall have pay and other conditions of employment that match the best on offer at the duty station. The principle was first stated in 1949 and is implemented through the ICSC local salary surveys, conducted periodically at all duty stations. Between the salary surveys, the GS salary scale is subject to interim adjustments, calculated on the basis of movements of an appropriate wage or price index or a combination of indices.

13. The latest survey in Vienna was carried out in April 2017, approved by the ICSC in July 2017. The resulting increase of 3.3 per cent was reflected in the salary scale and implemented in two stages. First, the 2016 interim adjustment of 1.4 per cent, which had been withheld pending the outcome of the ICSC survey, was paid retroactively with effect from 1 November 2016 (Annex II). Second, the remaining increase was paid retroactively with effect from 1 April 2017 (Annex III), i.e. the reference month of the survey.

14. The overall increased costs under salaries and related common staff costs for the General Service category at headquarters could be absorbed under the existing budgetary provisions. As a result of the 2017 salary survey, the dependency and language allowances for GS staff were also revised (Annex III).

Interim adjustment to GS salary scale 2018

15. As the above-mentioned survey was conducted in April 2017, the next interim adjustment to GS salaries was reviewed and implemented in April 2018. In accordance with staff regulation 6.5 (a) and staff rule 106.01 (b), and in line with the established procedure for interim adjustments, the salary scales for GS staff serving in Vienna have been adjusted by 1.9 per cent effective 1 April 2018.

16. This adjustment takes into account changes in the consumer price and relevant wage indices over a period of twelve months. The new salary scales will apply to all staff in the GS category serving in Vienna (Annex IV).

Scale of pensionable remuneration for the Professional and higher categories

17. Appendix C to the staff rules. In accordance with article 51 (b) of the Regulations of the United Nations Joint Staff Pension Fund, the scale of pensionable remuneration should be adjusted on the same date as the net remuneration amounts (base salary plus post adjustment) of officials in the Professional and higher categories in New York are adjusted.

18. With effect from **1 February 2018**, the post adjustment multiplier for New York was revised from 66.1 to 66.9. Accordingly, the ICSC has promulgated the revised scale of pensionable remuneration effective 1 February 2018, which is shown in Annex V to the present document. Sufficient financial coverage was built into the 2018–2019 budget (IDB.45/5).

IV. Action required by the Board

19. The Board may wish to take note of the information contained in the present document.

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